



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JAN 25 2007

REPLY TO THE ATTENTION OF:

(AE-17J)

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Daniel Sajkowski, Business Unit Leader
BP Products North America, Inc.
2815 Indianapolis Boulevard
Whiting, Indiana 46394

Re: Finding and Notice of Violation for BP Products North
America, Inc., Whiting, Indiana

Dear Mr. Sajkowski:

This is to advise you that the United States Environmental Protection Agency (U.S. EPA) has determined that the BP Products North America, Inc. facility at 2815 Indianapolis Boulevard, Whiting, Indiana (BP Whiting or you) is in violation of the Clean Air Act (CAA) and associated state pollution control requirements. A list of the requirements violated is provided below. We are today issuing to you a Finding and Notice of Violation (FOV/NOV) for these violations.

The Act requires the development of Primary and Secondary National Ambient Air Quality Standards to protect public health and welfare. To attain and maintain these standards, each state is required to develop an implementation plan. In addition, U.S. EPA has established new source performance standards (NSPS), which are nationally uniform emission standards for new stationary sources falling within particular industrial categories. The "Standards of Performance for Petroleum Refineries," at 40 C.F.R. Part 60, Subpart J, and the Indiana State Implementation Plan (SIP) include the following requirements:

- 1) The owner or operator of a Claus sulfur recovery plant controlled by an oxidation or reduction control system followed by incineration shall not discharge or cause the discharge of any gases into the atmosphere from the Claus

sulfur recovery plant containing in excess of 250 parts per million sulfur dioxide at zero percent excess air.

- 2) Owners or operators of affected facilities under the NSPS are required to maintain good air pollution control practice for minimizing emissions.
- 3) Sulfur dioxide emissions from the sulfur recovery unit incinerator shall not exceed 1.25 pounds per hour.
- 4) All sulfur pit emissions are to be re-routed such that they are treated, monitored, and included as part of the emissions of the sulfur recovery unit.

EPA finds that BP Whiting has violated the above listed NSPS and Indiana SIP requirements.

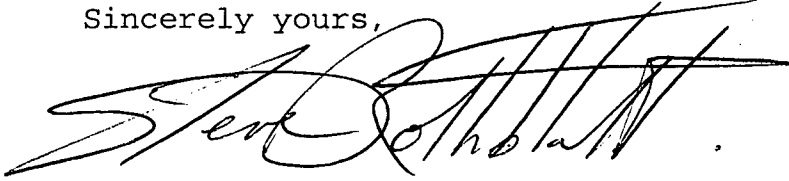
Section 113 of the CAA gives us several enforcement options to resolve these violations, including: issuing an administrative compliance order, issuing an administrative penalty order, bringing a judicial civil action, and bringing a judicial criminal action. The option we select, in part, depends on the efforts taken by BP Whiting to correct the alleged violations and the timeframe in which you can demonstrate and maintain continuous compliance with the requirements cited in the FOV/NOV.

Before we decide which enforcement option is appropriate, Section 113 of the CAA provides you with the opportunity to request a conference with us about the violations alleged in the FOV/NOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. Please plan for your facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

The EPA contact in this matter is Erik Hardin. You may call him at (312) 886-2402 if you wish to request a conference. EPA

hopes that this FOV/NOV will encourage BP Whiting's compliance with the requirements of the Clean Air Act.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Stephen Rothblatt". The signature is stylized with a large, sweeping "S" and a series of vertical strokes for the "t" in "Rothblatt".

Stephen Rothblatt, Director
Air and Radiation Division

Enclosure

cc: David McIver, Chief
Office of Enforcement, Air Section
Indiana Department of Environmental Management

**United States Environmental Protection Agency
Region 5**

IN THE MATTER OF:)	FINDING OF VIOLATION
)	
BP Products North America)	EPA-5-07-IN-03
Whiting, Indiana)	
)	
)	
Proceedings Pursuant to)	
the Clean Air Act,)	
42 U.S.C. §§ 7401 <u>et seq.</u>)	

FINDING AND NOTICE OF VIOLATION

BP Products North America, Inc. (BP or you) owns and operates a petroleum refinery at 2815 Indianapolis Boulevard, Whiting, Indiana (BP Whiting). The refinery consists of a number of pieces of equipment that generate air pollution and are subject to provisions of the Clean Air Act (the Act). This includes a sulfur recovery plant consisting of three Claus sulfur recovery trains, two tail gas units, a standby incinerator, and a modular degassing unit (also referred to as the "sulfur pit").

U.S. EPA is sending this Finding and Notice of Violation (FOV/NOV) to you for sulfur dioxide (SO₂) emissions from the sulfur recovery plant in excess of limits found in the Indiana State Implementation Plan (SIP) and the "Standards of Performance for Petroleum Refineries," at 40 C.F.R. Part 60, Subpart J (Refinery NSPS), for excessive hydrogen sulfide (H₂S) emissions caused by violations of control requirements found in an Indiana SIP required construction permit designated as Significant Source Modification (SSM) 089-13846-00003, as amended by Administrative Amendment (AA) 089-15525-00003, and for failing to maintain good air pollution control practices as required by the general provisions of the New Source Performance Standards (NSPS), at 40 C.F.R. Part 60, Subpart A.

Section 113 of the Act provides you with the opportunity to request a conference with us to discuss the violations alleged in the FOV/NOV. This conference will provide you a chance to present information on the identified violations, any efforts you have taken to comply, and the steps you will take to prevent

future violations. Please plan for the Facility's technical and management personnel to take part in these discussions. You may have an attorney represent and accompany you at this conference.

Explanation of Violations

1. The following Refinery NSPS requirements, Indiana SIP rules, and permit conditions are relevant to this FOV/NOV:
 - a. Indiana SIP Rule 326 Indiana Administrative Code (IAC) 7-4.1-3(a)(17) limits emissions of SO₂ from the standby incinerator to 1.25 pounds per hour (lbs/hr).
 - b. Indiana SIP Rule 326 IAC 2-1-03 governs the construction permit requirements. Condition D.3.6 of construction permit SSM 089-13846-00003, issued on June 27, 2001, and amended by AA 089-15525-00003 on April 15, 2002, requires that all sulfur pit emissions be treated, monitored, and included as part of the emissions of the sulfur recovery unit.
 - c. On March 8, 1974, U.S. EPA promulgated the Refinery NSPS, and has amended it several times since then.
 - d. The Refinery NSPS at 40 C.F.R. § 60.104(a)(2)(i) limits the concentration of SO₂ emissions from any affected sulfur recovery plant controlled with oxidation system or a reduction system followed by incineration to 250 parts per million (ppm) at zero percent excess air.
 - e. The NSPS at 40 C.F.R. § 60.11(d) requires that owners or operators of affected facilities maintain good air pollution control practice for minimizing emissions.
2. Based on an evaluation of a report submitted to the U.S. EPA on November 22, 2006, that was required by a Consent Decree between the United States and BP entered on August 29, 2001, U.S. EPA has determined the following:
 - a. On October 4, 2006, and between October 30, 2006, and November 7, 2006, emissions from the Claus sulfur recovery plant were routed directly to the standby incinerator and not controlled in either of BP Whiting's tail gas units. The concentration of sulfur in these emissions was such that emissions from their

incineration exceeded 250 ppm at zero percent excess air and 1.25 lbs/hr.

- b. From October 30, 2006, until November 16, 2006, emissions from the sulfur pit were not controlled with the sulfur recovery unit. This resulted in a release of 2.2 tons of uncontrolled H₂S emissions from the sulfur pit to the atmosphere.
3. BP Whiting's excess SO₂ emissions from the Claus sulfur recovery plant is a violation the SO₂ limit in the Refinery NSPS at 40 C.F.R. § 60.104(a)(2)(i).
4. BP Whiting's excess SO₂ emissions from the standby incinerator are violations of the SO₂ limit in the Indiana SIP at 326 IAC 7-4.1-3(a)(17).
5. BP Whiting's failure to treat emissions from the sulfur pit with the emissions from the sulfur recovery unit is a violation of condition D.3.6. of permit SSM 089-13846-00003, as amended by AA 089-15525-00003.
6. BP Whiting's failure to operate and maintain its sulfur recovery plant consistent with good air pollution control practice is a violation of 40 C.F.R. § 60.11(d).

Environmental Impact of Violations

7. Violation of the SO₂ standards increases the amount of acid rain and public exposure to unhealthy levels of SO₂. SO₂ reacts with other chemicals in the air to form tiny sulfate particles. Long term exposure to high levels of SO₂ gas and particles can cause respiratory illness, aggravate existing heart disease, and lead to premature death.
8. Violation of the requirements preventing H₂S emissions increases the public's exposure to this toxic gas. Severe injury and death have been observed with short-term exposures to H₂S levels exceeding 100 ppm. Acute exposures to elevated levels of H₂S can result in pulmonary edema and central

nervous system effects including dizziness, nausea, headache
and physical collapse.

1/25/2007
Date

A handwritten signature in black ink, appearing to read 'S. Rothblatt', written over a horizontal line.

Stephen Rothblatt, Director
Air and Radiation Division

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent a Finding of Violation and Notice of Violation, No. EPA-5-07-IN-03, by Certified Mail, Return Receipt Requested, to:

Daniel Sajkowski, Business Unit Leader
BP Products North America, Inc.
2815 Indianapolis Boulevard
Whiting, Indiana 46394

I also certify that I sent copies of the Finding of Violation and Notice of Violation by first class mail to:

David McIver, Chief
Office of Enforcement Air Section
Indiana Department of Environmental Management
100 North Senate Avenue, Room 1001
Indianapolis, Indiana 46206-6015

on the 26 day of January, 2007.

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0005 8919 2393